Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Amendment of Part 2 of the Commission's Rule to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Introduction of New Advanced Wireless Services, including Third Generation Wireless Systems	)	ET Docket No. 00-258
	)	
Petition for Rulemaking of the Cellular Telecommunications Industry Association Concerning Implementation of WRC-2000: Review of Spectrum and Regulatory Requirements for IMT-2000	)	RM 9920
	)	
Amendment of the U.S. Table of Frequency Allocations to Designate the 2500-2520/2670-2690 MHz Frequency Bands for the Mobile-Satellite Service	)	RM-9911

To: The Commission

COMMENTS OF COOK INLET REGION, INC.

Cook Inlet Region, Inc. ("CIRI")[1] generally supports the Commission's proposal to allocate additional frequency bands below 3 GHz to support the introduction of new advanced wireless services, including third generation ("3G") as well as future generations of wireless systems.[2]

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[1] CIRI is an Alaska Native Regional Corporation organized pursuant to the Alaska Native Claims Settlement Act, 43 U.S.C. § 1601 *et seq.* CIRI is owned by approximately seven thousand Alaska Native shareholders of Eskimo, Indian and Aleut descent. Certain of CIRI's wholly owned subsidiaries control and manage entities, in which VoiceStream Wireless Corporation has a non-controlling, indirect investment, that hold broadband personal communication service licenses.

[2] *See In the Matter of Amendment of Part 2 of the Commission's Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Introduction of New Advanced* (continued...)

As the Commission suggests, the focus of 3G technology will be the introduction, development and provision of robust, advanced, two-way, wireless data services.[3] In some circumstances, these 3G services may operate as a complement to existing wireless voice services. In the *Notice*, the Commission seeks comment on whether spectrum currently used for cellular, broadband personal communications services ("PCS") and specialized mobile radio services may be used to support 3G technologies.[4] It will be technically feasible to use existing spectrum allocations for new 3G services; existing PCS licensees have deployed GSM, CDMA and TDMA technology which are the transition paths for and Wideband CDMA and CDMA2000, the future bases for 3G services. Given capacity constraints and the ever increasing demand for basic and enhanced mobile voice services, however, additional spectrum will be necessary to support 3G data services. The PCS spectrum that has been made available thus far by the Commission is being assembled in the marketplace primarily for voice service. For example, much of the spectrum purchased in the Commission's recent Auction 35 will be used to fill in gaps in existing regional and national wireless networks and to meet the continuing demands of voice customers rather than to support the development of new networks and services. Already, existing wireless carriers are stretching to meet the growing need for voice service capacity while attempting to accommodate new data traffic as the demand for all mobile services increases. Therefore, existing PCS licensees should retain the flexibility they currently enjoy to deploy, at their option, voice, data or both services in these bands.

Wireless Services, including Third Generation Wireless Systems, ET Docket No. 00-258, FCC 00-455 (rel. Jan. 5, 2001) ("*Notice*").

[3] *Id.* ¶¶ 12, 15.

[4] *Id.* ¶¶ 16, 22.

The Commission therefore should also separately allocate new spectrum to allow 3G services to develop as an enhancement to, and independent of, existing wireless voice services. This additional allocation must be for spectrum bandwidth adequate to support the fully robust development of innovative 3G applications. CIRI therefore supports the Commission's proposal to allocate additional spectrum for the introduction and development of these 3G services. The ITU has determined that approximately 160 MHz of additional spectrum will be needed by 2010 for IMT-2000;[5] at least this much additional spectrum should be allocated for 3G use in the United States. An allocation of this size is necessary to ensure that domestic companies have an opportunity to develop 3G to the same extent these services are developed internationally and can remain competitive in the global telecommunications marketplace. The amount of spectrum also should be divisible into individual licenses that will easily accommodate advanced, two-way, wireless data services. At a minimum, each 3G licensee should receive two 5 MHz paired channels, for a total of 10 MHz, which would allow for the provision of many basic data services. In addition, the Commission should allow licensees to aggregate two or more license blocks in order to provide adequate spectrum for advanced broadband 3G applications.

CIRI also urges the Commission to consider other critical factors in determining which spectrum is most appropriate for the introduction of 3G technology. *First*, the Commission should attempt to harmonize its allocation in the United States with the allocations for comparable services that have been made internationally. Use of the same or adjacent frequency bands would increase equipment options available to potential 3G service providers.

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[5] *See Id.* ¶ 4.

Licensees in the United States should not be locked in to equipment that cannot be utilized effectively internationally, nor should they lose the benefits of technological developments made by European and other international manufacturers. Similarly, domestic manufacturers should be encouraged to compete in the international marketplace for 3G equipment. A harmonized allocation in the United States will facilitate global roaming and international compatibility of wireless data equipment.

These equipment related benefits, however, must be balanced against a tendency to require a specific technology for the provision of 3G services in the United States. CIRI agrees with the Commission's tentative conclusion to proceed with a flexible regulatory approach rather than mandating a particular type of 3G technology.[6] Customers in the United States have been well-served by the robust competition resulting from the introduction of competing digital wireless technologies such as GSM, CDMA and TDMA. Similar competition may occur in the market for 3G data services if competitive rather than regulatory forces establish the technology – or technologies – of choice for data consumers. Though the ITU has developed worldwide standards for 3G wireless devices,[7] there should be no single United States "solution" to the 3G technology question. By allowing competing systems such as Wideband CDMA and CDMA2000 to develop side by side, the Commission will allow the same robust competition in data services that has increased choices, reduced prices, promoted efficient use of spectrum and served the public interest in traditional wireless services.

Second, the spectrum allocated should be contiguous to existing PCS spectrum. While 3G services may to a large extent be developed separately from existing voice systems,

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[6] *Id.* ¶ 21.

[7] *Id.* ¶ 17.

3G licensees should be able to benefit from existing equipment and technologies adopted and implemented by PCS licensees. Furthermore, 3G services will have a greater chance of commercial success if the spectrum allocated to support these services will facilitate the joint marketing and provision of 3G data services with existing voice services.

Third, the Commission should strive to allocate spectrum that is clear or can be cleared expeditiously in order to accommodate 3G services. In order to ensure that United States companies have the opportunity to compete effectively by providing innovative 3G technologies that make efficient and effective use of scarce spectrum, it is vital that the spectrum the Commission allocates for 3G services be cleared of any incumbent licensees. If the spectrum is not cleared quickly, the introduction of 3G services will be delayed and the United States will fall behind other countries in the development and deployment of 3G technology, especially in Europe where 3G systems have already been licensed.[8] CIRI cautions the Commission against focusing on promoting global harmonization at the expense of the prompt allocation and licensing of clear spectrum that is readily available for 3G services in the United States. The prompt introduction of cleared spectrum to accommodate 3G services will serve United States consumers and promote the public interest.

Fourth, and most importantly, the Commission must take all necessary measures in licensing 3G spectrum to preserve opportunities for small business participation in the development of these new services, consistent with its congressional mandate.[9] The allocation of

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[8] *Id.* ¶ 30.

[9] *See* 47 U.S.C. § 309(j) (demonstrating general congressional concern for small and minority-owned businesses by directing the Commission to promote the objective of "disseminating licenses among a wide variety of applications, including small businesses ... and businesses owned by members of minority groups").

new spectrum for 3G services should not be an opportunity only for large companies and nationwide providers. For a variety of reasons, 3G data services may be even more suitable than other spectrum-based services for achieving the objectives of the entrepreneur program, "including economic opportunity, competition, and the rapid deployment of new technologies and services by, *inter alia*, disseminating licenses among a wide variety of applicants, including small businesses."[10] Specifically, because the development and delivery of basic or niche 3G data services could be provided with less spectrum than a full voice network, licensees may be able to provide certain 3G services effectively on smaller spectrum blocks (even using a single 10 MHz license as proposed above). Small businesses are uniquely capable of serving niche markets with innovative data services and often lead the development of cutting-edge technologies and deployment of new services to consumers. Entrepreneurs historically have taken risks on innovative technologies that have led to the broad-based services customers nationwide enjoy today. Small businesses, by taking these risks, will create new products and services that will use spectrum more efficiently and effectively and lead the charge in the development of 3G services for the benefit of consumers. In addition, although wireless data, like wireless voice before it, is most likely to be deployed first in urban markets, the next targets will be rural or difficult-to-serve markets in the United States. Small businesses have served these markets historically, and are most likely to target and bring 3G services to the same markets in the future.

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[10] *See In the Matter of Promoting Efficient Use of Spectrum Through Elimination of Barriers to the Development of Secondary Markets*, WT Docket No. 00-230, FCC 00-402, *Notice of Proposed Rulemaking*, ¶ 22 (released Nov. 27, 2000) (citing 47 U.S.C. § 309(j)(3)).

Small businesses, like other licensees, should have an opportunity to aggregate multiple license blocks in order to compete in the provision of more advanced broadband data services. In addition, the Commission should allocate, as it has done successfully in the past, at least one third of all 3G spectrum for use by entrepreneur licensees. Small businesses will need this opportunity in order to compete not only with each other but against regional, national and international providers. Entrepreneurs are well qualified to develop and offer unique wireless data services in 3G spectrum, but will need the Commission's continued assistance in order to obtain access to scarce spectrum at the initial licensing stage. Entrepreneurs are more likely than not to be domestic companies that, whether on their own, as a consortium or through strategic partnerships with regional or national service providers, can and should play a vital role in the future of the United States telecommunications industry.

Respectfully submitted,

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